Lanzhou Zhuangyuan Pasture Co., Ltd.*
蘭州莊園牧場股份有限公司

(A joint stock limited liability company incorporated in the People's Republic of China)

(Stock code: 1533)

10 February 2022

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

We refer to the circular dated 10 February 2022 (the "Circular") of Lanzhou Zhuangyuan Pasture Co., Limited (the "Company") of which this letter forms part. Terms used in this letter shall have the meanings as defined in the Circular unless the context requires otherwise.

We, being the independent non-executive Directors, have been appointed to form the Independent Board Committee to advise you as to whether the terms of the Raw Milk Purchase Agreement are fair and reasonable so far as the Independent Shareholders are concerned and whether the entering into of the Raw Milk Purchase Agreement and the transactions contemplated thereunder (including the annual cap) is in the interests of the Company and the Shareholders as a whole. Altus has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. We wish to draw your attention to the letter from the Board as set out on pages 1 to 11 of the Circular and the letter from Altus as set out on pages IFA-1 to IFA-10 of the Circular which contain, among other things, their advice, recommendations to us regarding the terms of the Raw Milk Purchase Agreement and the transactions contemplated thereunder (including the annual cap) and the principal factors and reasons taken into consideration for their advice and recommendations.

* *For identification purpose only*

RECOMMENDATION

Having taken into account the advice and recommendations of Altus and the principal factors and reasons taken into consideration by them in arriving at their opinion, we consider that the terms of the Raw Milk Purchase Agreement and the transactions contemplated thereunder (including the annual cap) are fair and reasonable as far as the Shareholders are concerned, entered in the ordinary and usual course of business of the Group and are on normal commercial terms, and the entering into of the Raw Milk Purchase Agreement is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution(s) to be proposed at the EGM to approve the Raw Milk Purchase Agreement and the transactions contemplated thereunder (including the annual cap).

Yours faithfully,
Mr. Wang Haipeng, Mr. Zhang Yubao and Mr. Sun Jian
Independent Board Committee

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